

10/3/77 [2]

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THE WHITE HOUSE
WASHINGTON

October 3, 1977

Hugh Carter

The attached was returned in
the President's outbox. It is
forwarded to you for your
information.

Rick Hutcheson

WEEKLY MAIL REPORT - 9/30/77

THE PRESIDENT HAS ^{SEEN.} **Electrostatic Copy Made
for Preservation Purposes**
THE WHITE HOUSE

WASHINGTON

Week Ending 9/30/77

MEMORANDUM FOR THE PRESIDENT

FROM:

HUGH CARTER *HC*

SUBJECT:

Weekly Mail Report (Per Your Request)

Below are statistics on Presidential and First Family:

<u>INCOMING</u>	<u>WEEK ENDING 9/23</u>	<u>WEEK ENDING 9/30</u>
Presidential	41,530	36,010
First Lady	1,415	1,275
Amy	220	310
<u>Other First Family</u>	<u>50</u>	<u>65</u>
TOTAL	43,215	37,660
 <u>BACKLOG</u>		
Presidential	11,915	8,065
First Lady	85	85
Amy	0	0
<u>Other</u>	<u>0</u>	<u>0</u>
TOTAL	12,000	8,150

DISTRIBUTION OF PRESIDENTIAL MAIL ANALYZED

Agency Referrals	29%	40%
WH Correspondence	39%	26%
Direct File	19%	18%
White House Staff	7%	9%
<u>Other</u>	<u>6%</u>	<u>7%</u>
TOTAL	100%	100%

NOT INCLUDED ABOVE

Form Letters and Post Cards	14,521	17,478
Mail Addressed to WH Staff	18,105	16,866

cc: Senior Staff

MAJOR ISSUES IN
CURRENT PRESIDENTIAL ADULT MAIL
Week Ending 9/30/77

ISSUES	PRO	CON	COMMENT ONLY	NUMBER OF LETTERS
Resignation of Bert Lance	52%	48%	0	4,439
Support for Palestine Liberation Organization Representation at Peace Talks	6%	87%	7%	1,254
Support for Tougher Restrictions on Steel Imports	100%	0	0	932
Support for Panama Canal Treaties	16%	82%	2%	629
Support for Separate Cabinet Level Department of Education	100%	0	0	617
Support for President's Statements re: Bert Lance During 9/21 Press Conference (1)	94%	6%	0	614
Suggestions re: Tax Reform	0	0	100%	523
Support for Deportation of 500 Mennonites Living in Texas (2)	4%	96%	0	427
Support for University Affirmative Action Appeal Against Bakke Stand	38%	56%	6%	300
Support for Concorde-SST Landing Rights in U.S. (3)	4%	96%	0	285
Support for Neutron Bomb	2%	98%	0	253
			TOTAL	10,273

~~(See Notes Attached)~~

NOTES TO MAJOR ISSUE TALLY

Week Ending 9/30/77

(1) SUPPORT FOR PRESIDENT'S STATEMENTS DURING 9/21 PRESS CONFERENCE

President Carter has received the admiration and support of these writers (94% supportive). Many say they watched the President announce the resignation of his OMB Director on television.

The following quotes convey the tone of this mail:

- "We feel extremely proud of the moral leadership you showed against so many odds..."
- "Truly sorry for the sadness that was on your face at the press conference...God bless you."
- "Today you exhibited the kind of friendship that this country needs more of..."
- "We appreciate your love and concern for our country and your friend Bert Lance."
- "May God hold you in his hand in all of his love."
- "Our confidence in you is not changed in any way."

(2) SUPPORT FOR DEPORTATION OF 500 MENNONITES LIVING IN TEXAS (96% Con)

Most writers view this religious group as an asset to the country, not a burden. Many people are reacting to news reports which portray the 500 Mennonites as hard workers who have established a community of worship and who have invested \$2.6 million into land. The Mennonites reportedly were told to leave the country because their temporary visas ran out.

(3) SUPPORT FOR CONCORDE-SST LANDING RIGHTS IN U.S. (96% Con)

The majority of persons say they live or work near large airports, and they cite environmental, health and safety reasons for banning the Concorde supersonic transport landings.

THE WHITE HOUSE
WASHINGTON
October 3, 1977

Jim McIntyre

The attached was returned in
the President's outbox. It is
forwarded to you for appropriate
handling.

Rick Hutcheson

cc: Stu Eizenstat
Frank Moore
Jack Watson
Greg Schneiders

RE: SBA DISASTER LOAN SUPPLEMENTAL
FOR FARM DROUGHT LOSSES

THE WHITE HOUSE
WASHINGTON

	FOR STAFFING
	FOR INFORMATION
	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

ACTION	FYI	
		MONDALE
		COSTANZA
		EIZENSTAT
		JORDAN
		LIPSHUTZ
		MOORE
		POWELL
		WATSON
		McINTYRE
		SCHULTZE

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER

Comments due to
Carp/Huron within
48 hours; due to
Staff Secretary
next day

	ARAGON
	BOURNE
	BRZEZINSKI
	BUTLER
	CARP
	H. CARTER
	CLOUGH
	FALLOWS
	FIRST LADY
	HARDEN
	HUTCHESON
	JAGODA
	GAMMILL

	KRAFT
	LINDER
	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	POSTON
	PRESS
	SCHLESINGER
	SCHNEIDERS
	STRAUSS
	VOORDE
	WARREN

THE WHITE HOUSE
WASHINGTON

10/3/77

Mr. President:

Congressional Liaison suggests that you go with the \$1.4 billion. "We will probably get the money whether we ask for it or not, so let's be on the side of the winners from the beginning."

Stu Eizenstat also agrees with OMB, to transmit a budget amendment bringing the SBA disaster request to \$1.4 billion.

"We further recommend that you direct SBA and USDA to review the need for the SBA farm loan programs and suggest basic reform. This spiriling cost is a result of a recent amendment to the SBA authorization that places the SBA program in competition with another loan program administered by the FHA. Thus, the SBA program now has a more attractive device than the FHA program. We would like to work on this with OMB to eliminate this situation."

---Rick



EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

SEP 30 1977

ACTION

MEMORANDUM FOR:

THE PRESIDENT

FROM:

James T. McIntyre, Jr.

SUBJECT:

SBA Disaster Loan Supplemental for
Farm Drought Losses

On September 16, 1977, you transmitted to the Congress a fiscal year 1978 supplemental appropriation request in the amount of \$725 million to allow the Small Business Administration (SBA) to meet disaster loan demand associated with the recent drought. The \$725 million request was considered the minimum necessary to keep SBA's disaster loan program operating through next January based on the SBA estimates available at that time. As you may recall, the \$725 million was a compromise amount, which was arrived at because of the problems that a higher amount of \$1.15 billion originally recommended by OMB, would have created for Senator Muskie in the preparation of the Second Congressional Budget Resolution for fiscal year 1978.

Earlier today, OMB representatives met with the staffs of the Senate Budget and Appropriations Committees to discuss the rapidly changing funding estimates for SBA's drought disaster loan program in fiscal year 1978. In the two weeks that have elapsed since the submission of the \$725 million supplemental request, SBA field office reports show a sharp increase in the number and value of drought loan applications, particularly in the state of Georgia where the value of applications on hand with SBA has increased by \$392 million in the last two weeks from \$157 million to \$549 million. This is \$250 million more than originally anticipated by SBA earlier this month. The new Georgia estimates, as well as those now becoming available for other declared and non-declared drought disaster states, raise the question of whether SBA will have enough money in its disaster fund to operate through January, even if Congress were to appropriate the full \$725 million requested by the Administration.

Senator Muskie is now more concerned that the amounts approved for SBA supplemental appropriations be sufficient to insure that those eligible under current law receive drought disaster assistance. In a September 29 letter to OMB, Senator Muskie requested a revised disaster estimate by September 30. In addition, Senator Hollings has proposed an amendment which would appropriate \$1.4 billion in supplemental funds.

In light of the sharp increases in SBA applications over the past two weeks, you may want to consider increasing your pending request to insure that sufficient funds are available for drought assistance.

While the few weeks' experience with this program does not enable us to make firm estimates of what will be needed through January, we think that at least \$1.2 billion will be required, and that Senator Hollings' figure of \$1.4 billion would offer even more assurance of continuing coverage for farmers. Further, Senator Hollings' amendment already has 12 co-sponsors in the Senate.

Decision

_____ take no action to amend your pending \$725 million request.

_____ ✓ authorize immediate notice to the Senate that you will later transmit a formal amendment bringing your SBA disaster request to \$1.4 billion.

*If it's Pans
J*

**Electrostatic Copy Made
for Preservation Purposes**

THE WHITE HOUSE

WASHINGTON

Date: September 30, 1977

MEMORANDUM

FOR ACTION:

Stu Eizenstat

Frank Moore *attended conc*

Jack Watson

FOR INFORMATION:

Vice President Mondale

Charles Schultze

Greg Schneiders

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: S. B. A. Disaster Loan Supplemental for Farm Drought Losses

YOUR RESPONSE MUST BE DELIVERED
TO THE STAFF SECRETARY BY:

TIME: 11:00 A.M.

DAY: Monday

DATE: October 3, 1977

ACTION REQUESTED:

☒ Your comments

Other:

STAFF RESPONSE:

☐ I concur.

☐ No comment.

Please note other comments below:

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)

THE WHITE HOUSE
WASHINGTON

<input checked="" type="checkbox"/>	FOR STAFFING
<input type="checkbox"/>	FOR INFORMATION
<input type="checkbox"/>	FROM PRESIDENT'S OUTBOX
<input type="checkbox"/>	LOG IN/TO PRESIDENT TODAY
<input type="checkbox"/>	IMMEDIATE TURNAROUND

ACTION	FYI	
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	MONDALE
<input type="checkbox"/>	<input type="checkbox"/>	COSTANZA
<input checked="" type="checkbox"/>	<input type="checkbox"/>	EIZENSTAT
<input type="checkbox"/>	<input type="checkbox"/>	JORDAN
<input type="checkbox"/>	<input type="checkbox"/>	LIPSHUTZ
<input checked="" type="checkbox"/>	<input type="checkbox"/>	MOORE
<input type="checkbox"/>	<input type="checkbox"/>	POWELL
<input checked="" type="checkbox"/>	<input type="checkbox"/>	WATSON
<input type="checkbox"/>	<input type="checkbox"/>	LANCE
<input checked="" type="checkbox"/>	<input type="checkbox"/>	SCHULTZE

<input type="checkbox"/>	ENROLLED BILL
<input type="checkbox"/>	AGENCY REPORT
<input type="checkbox"/>	CAB DECISION
<input type="checkbox"/>	EXECUTIVE ORDER
Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day	

<input type="checkbox"/>	ARAGON
<input type="checkbox"/>	BOURNE
<input type="checkbox"/>	BRZEZINSKI
<input type="checkbox"/>	BUTLER
<input type="checkbox"/>	CARP
<input type="checkbox"/>	H. CARTER
<input type="checkbox"/>	CLOUGH
<input type="checkbox"/>	FALLOWS
<input type="checkbox"/>	FIRST LADY
<input type="checkbox"/>	HARDEN
<input type="checkbox"/>	HUTCHESON
<input type="checkbox"/>	JAGODA
<input type="checkbox"/>	KING

<input type="checkbox"/>	KRAFT
<input type="checkbox"/>	LINDER
<input type="checkbox"/>	MITCHELL
<input type="checkbox"/>	MOE
<input type="checkbox"/>	PETERSON
<input type="checkbox"/>	PETTIGREW
<input type="checkbox"/>	POSTON
<input type="checkbox"/>	PRESS
<input type="checkbox"/>	SCHLESINGER
<input checked="" type="checkbox"/>	SCHNEIDERS
<input type="checkbox"/>	STRAUSS
<input type="checkbox"/>	VOORDE
<input type="checkbox"/>	WARREN

THE WHITE HOUSE

WASHINGTON

October 3, 1977

MEMORANDUM FOR: THE PRESIDENT

FROM: STU EIZENSTAT *Stu*
LYNN DAFT

SUBJECT: SBA Disaster Loan Supplemental for
Farm Drought Losses

We concur with the OMB recommendation that you authorize OMB to notify the Senate that you will later transmit a budget amendment bringing the SBA disaster request to \$1.4 billion.

We further recommend that you direct SBA and USDA to review the need for the SBA farm loan programs and suggest basic reform. This spiraling cost is a result of a recent amendment to the SBA authorization that places the SBA program in competition with another loan program administered by the Farmers Home Administration of the USDA.

Thus, the SBA program has now a more attractive device than the FHA program. We would like to work on this with OMB to eliminate this situation.

THE WHITE HOUSE
WASHINGTON

October 3, 1977

Hamilton Jordan

The attached was returned in
the President's outbox today
and is forwarded to you for
appropriate handling.

Rick Hutcheson

cc: Jim Gammill

RE: CHARLIE ROSS REAPPOINTED
TO INTERNATIONAL JOINT
COMMISSION

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE
WASHINGTON

October 3, 1977

MR. PRESIDENT:

Senator Leahy has a call into you. If he is calling about Charlie Ross, you may want to tell the Senator that we are favorably considering Charlie for retention at the International Joint Commission between the United States and Canada. This is a Commission consisting of 3 Commissioners, appointed by the President not requiring Senate confirmation. It considers matters of joint interest to the U. S. and Canada. Term is at the pleasure of the President.

Senator Leahy has called the Vice President and Frank Moore on this, also, and both feel we should reappoint Charlie.

We should have the Joint Commission ready for final decision within the next two days.

Hamilton Jordan

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for Preservation Purposes**

*orig apt by
Hanna
JFK
oh
reappoint
him
JC*

THE WHITE HOUSE
WASHINGTON

October 3, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: Bob Lipshutz



Please sign the attached Secret Service form, which is required for the purpose of designating "the one primary, non-government property to be fully secured by the United States Secret Service on a permanent basis".

Please return this form to me and I will deliver it to the Secret Service.

**DESIGNATION OF NON-GOVERNMENTAL PROPERTY
TO BE SECURED BY THE UNITED STATES SECRET SERVICE**

FILE NUMBER

620.0

NAME OF PROTECTEE

Jimmy Carter

General Explanation:

Public Law 94-524, the Presidential Protection Assistance Act of 1976, Section 3(a) provides that each protectee of the U.S. Secret Service may designate one primary, non-governmental property to be fully secured by the Secret Service on a permanent basis. Section 3(b) allows the protectee to thereafter designate a different non-governmental property for primary protection. However, any subsequent expenditures made to secure the previously designated property would be controlled by Section 4.

Section 4 of Public Law 94-524 limits expenditures by the Secret Service for maintaining a permanent guard detail and for permanent facilities, equipment and services to secure any additional non-governmental property(ies) to a cumulative total of \$10,000 at each such property. Expenditures in excess of this limitation must be specifically approved by resolutions adopted by the Committees on Appropriations of the House and Senate.

All improvements and other items acquired by the Federal Government and used for the purpose of securing any non-governmental property in the performance of the duties of the Secret Service shall be the property of the United States. Upon termination of Secret Service protection at any non-governmental property, all such improvements and other items shall be removed from the non-governmental property unless the Director of the Secret Service determines that it would not be economically feasible to do so; except that such improvements and other items shall be removed and the non-governmental property shall be restored to its original state if the owner of such property at the time of termination requests the removal of such improvements or other items. If any such improvements or other items are not removed, the owner of the non-governmental property at the time of termination shall compensate the United States the original cost of the improvements or the amount by which they have increased the fair market value of the property, as determined by the General Accounting Office at the date of termination, whichever is less.

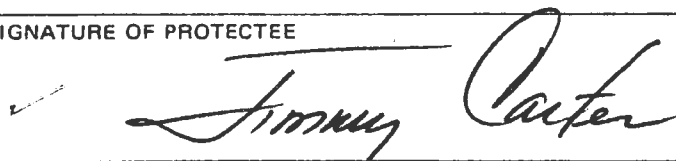
I hereby designate the following property to be the one primary, non-governmental property to be fully secured by the United States Secret Service on a permanent basis:

PROPERTY AND ADDRESS

One Woodland Drive

Plains, Georgia

SIGNATURE OF PROTECTEE



DATE

October 3, 1977

THE PRESIDENT HAS SEEN.

THE CHAIRMAN OF THE
COUNCIL OF ECONOMIC ADVISERS
WASHINGTON

**Electrostatic Copy Made
for Preservation Purposes**

October 3, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: CHARLIE SCHULTZE *CLS*

SUBJECT: Census Advance Report on Money Income and Poverty
Status in 1976

This report was released today (Monday) at 6:30 p.m. Since you will be in New York City tomorrow, you may be asked questions about some of the data which the report will show.

There is nothing particularly surprising in the report -- given what we already know about the very small impact the recovery has had on unemployment and employment among minority groups.

1. Median real income for all families increased 3.1% between 1975 and 1976, but it is still 3.1% below the 1973 peak.
2. Virtually all the improvement in family income occurred among white families. Black family income was essentially unchanged. This reverses the situation in 1975:

(percent change in real median income)

	<u>1975 to 1976</u>	<u>1974 to 1975</u>
All families	+3.1	-2.6
White	+3.0	-2.5
Black	-0.5	+0.5
Spanish origin	+1.6	-8.3

3. In 1976 the number of people in poverty fell by 3-1/2% (from 25.9 to 25.0 million), but;
 - o the number of poor blacks did not change,
 - o the number of poor people in central cities increased by 4%, from 9.1 to 9.5 million.

THE WHITE HOUSE
WASHINGTON
October 3, 1977

Jack Watson

The attached was returned in
the President's outbox. It is
forwarded to you for appropriate
handling.

Rick Hutcheson
cc: The Vice President
Stu Eizenstat
Tim Kraft
Secretary Schlesinger
Fran Voorde

RE: ENERGY PRODUCTION CONFERENCE

THE WHITE HOUSE
WASHINGTON

	FOR STAFFING
	FOR INFORMATION
/	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

ACTION	FYI	
	/	MONDALE
		COSTANZA
	/	EIZENSTAT
		JORDAN
		LIPSHUTZ
		MOORE
		POWELL
/		WATSON
		McINTYRE
		SCHULTZE

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER
	Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day

		ARAGON
		BOURNE
		BRZEZINSKI
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		CARP
		H. CARTER
		CLOUGH
		FALLOWS
		FIRST LADY
		HARDEN
		HUTCHESON
		JAGODA
		GAMMILL

/	KRAFT
	LINDER
	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	POSTON
	PRESS
/	SCHLESINGER
	SCHNEIDERS
	STRAUSS
/	VOORDE
	WARREN

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

October 3, 1977

*le Har
ok*

J

*let Jim
ok agenda*

J

MEMORANDUM FOR THE PRESIDENT

FROM: JACK WATSON *Jack*

SUBJECT: ENERGY PRODUCTION CONFERENCE
November 3 and 4, 1977

Attached is a telegram co-signed by you and Governors Milliken and Carroll announcing the energy production meeting at the White House on November 3rd and 4th. If you approve, we will send it immediately. The tentative agenda for the meeting is also attached for your information.

cc: Jim Schlesinger

**Electrostatic Copy Made
for Preservation Purposes**

TELEGRAM FOR 54 GOVERNORS

DEAR GOVERNOR _____:

CONTINUING THE DIALOGUE WE BEGAN AT OUR ENERGY MEETING LAST JULY, WE WOULD LIKE TO CONVENE A SPECIAL MEETING TO SEEK SOLUTIONS TO COMMONLY IDENTIFIED ENERGY PRODUCTION PROBLEMS. THE MEETING WILL BEGIN ON THURSDAY, NOVEMBER 3RD AT 2:00 PM IN ROOM 450 OLD EXECUTIVE OFFICE BUILDING, WASHINGTON, D.C., AND WILL CONCLUDE AT NOON ON FRIDAY, NOVEMBER 4TH.

AN AGENDA HAS BEEN JOINTLY DEVELOPED BY NGA, WHITE HOUSE AND DEPARTMENTAL STAFF. WE WILL SEND YOU DETAILED INFORMATION SOON. WE LOOK FORWARD TO YOUR ATTENDANCE AND PARTICIPATION ON NOVEMBER 3RD AND 4TH.

JIMMY CARTER

GOVERNOR WILLIAM MILLIKEN, CHAIRMAN, NATIONAL GOVERNORS ASSOCIATION

GOVERNOR JULIAN CARROLL, CHAIRMAN, NATURAL RESOURCES AND ENVIRONMENTAL
MANAGEMENT COMMITTEE

PROPOSED FORMAT FOR THE ENERGY PRODUCTION CONFERENCE
NOVEMBER 3 and 4, 1977 WASHINGTON, D.C.

Thursday, November 3, 1977

Note: NGA Executive Committee may meet for lunch at NGA Headquarters;
NCA may ask Governors to meet at NGA for pre-briefing.

- 1:45 p.m. Governors arrive at Pennsylvania entrance of OEOB
and go to Room 450
- 2:00 p.m. President Carter greets the Governors
- 2:15 p.m. Governors Carroll and Milliken and Messrs. Schlesinger
and Watson make brief remarks
- 2:45 p.m. Governors go to one of three roundtable discussions:
- | | | |
|----------------|-----------|---|
| 1. Oil and Gas | Room ____ | |
| 2. OCS | Room ____ | |
| 3. Coal | Room ____ | Note: these groupings are subject to change |
- 3:00 p.m. to Governors discuss production issues with federal officials
- 6:00 p.m.
- 6:00 p.m. to Box suppers available in Indian Treaty Room
- 7:00 p.m.
- 7:00 p.m. to Governors go to one of three roundtable discussions:
- | | |
|------------------------|-----------|
| 1. Facility Siting | Room ____ |
| 2. Renewable Resources | Room ____ |
| 3. Nuclear | Room ____ |
- 10:00 p.m. Governors free to depart or continue discussions

Friday, November 4, 1977

- 8:00 a.m. to Governors arrive at 450 OEOB and have coffee
- 9:00 a.m.
- 9:00 a.m. to President Carter hears six roundtable reports; 15 minutes each
- 10:30 a.m.
- 10:30 a.m. President Carter comments on roundtable reports
- 11:00 a.m. President Carter, Governors Carroll and Milliken, Dr. Schlesinger and Mr. Watson go to press briefing room for conference
- Other Governors meet press on lawn

THE WHITE HOUSE
WASHINGTON

October 3, 1977

Barry Jagoda

The attached was returned in
the President's outbox. It is
forwarded to you for appropriate
handling.

Rick Hutcheson

cc: Jody Powell
Zbig Brzezinski
Tim Kraft
Fran Voorde

RE: USIA TELEVISION PROGRAM

THE WHITE HOUSE
WASHINGTON

	FOR STAFFING
	FOR INFORMATION
/	FROM PRESIDENT'S OUTBOX
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ACTION	FYI	
		MONDALE
		COSTANZA
		EIZENSTAT
		JORDAN
		LIPSHUTZ
		MOORE
/		POWELL
		WATSON
		McINTYRE
		SCHULTZE

	ENROLLED BILL
	AGENCY REPORT
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/	BRZEZINSKI
	BUTLER
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	FIRST LADY
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	HUTCHESON
/	JAGODA
	GAMMILL

/	KRAFT
	LINDER
	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	POSTON
	PRESS
	SCHLESINGER
	SCHNEIDERS
	STRAUSS
/	VOORDE
	WARREN

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

September 29, 1977

MEMORANDUM FOR THE PRESIDENT

FROM:

ZBIGNIEW BRZEZINSKI *25.*
BARRY JAGODA *AI*

USIA will prepare a 10-minute television program for distribution around the world prior to your foreign trip. We think a good way to help create favorable public reception in the countries to be visited would be to attach a brief (30 second) Presidential greeting to each country at the end of the program. The whole taping could be done in about 15 minutes and would add a personal and local dimension to the program which should be well received.

APPROVE  _____

DISAPPROVE _____



Electrostatic Copy Made
for Preservation Purposes

THE WHITE HOUSE
WASHINGTON

October 3, 1977

Stu Eizenstat

Please convey to Steel Task Force.

Rick Hutcheson

cc: The Vice President
Jack Watson

The attached was not submitted to the President.

RE: Steel Industry

THE WHITE HOUSE

WASHINGTON

(anti-file - not submitted to Pres)

	FOR STAFFING
	FOR INFORMATION
	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

ACTION
FYI

*STH - pls convey to steel
Tash Farrel*

	/	MONDALE
		COSTANZA
/		EIZENSTAT
		JORDAN
		LIPSHUTZ
		MOORE
		POWELL
/		WATSON
		McINTYRE
		SCHULTZE

	ENROLLED BILL
	AGENCY REPORT
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Carp/Huron within
48 hours; due to
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	BOURNE
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	JAGODA
	GAMMILL

	KRAFT
	LINDER
	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	POSTON
	PRESS
	SCHLESINGER
	SCHNEIDERS
	STRAUSS
	VOORDE
	WARREN



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

September 30, 1977

THE ADMINISTRATOR

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Steel Industry

This is to advise you of the environmental compliance status of the industry, and what we have learned from recent contacts with affected groups.

The Environmental Problem

By any measure, the steel industry is one of the worst sources of air and water pollution in the nation, seriously affecting public health and imposing heavy costs on affected communities:

- ° Steel plants emit into the air large quantities of particulates, sulfur oxides, and various hydrocarbons. They discharge solids, acids, heavy metals, arsenic, cyanide, phenols, ammonia, oil, grease and heat into the waters.
- ° The air pollutants contribute to asthma, bronchitis, emphysema and cancer. At least 7.3 million people are exposed to carcinogenic coke oven emissions, including steelworkers, their families and others in the steel communities.
- ° Similarly, the water pollutants are dangerous to health. They must be removed by expensive treatment facilities to protect the drinking water of downstream communities.

- ° Every Air Quality Control Region containing a major steel plant (134 major plants are located in densely populated urban regions) is in violation of the Clean Air Act's primary, i.e., health related, standards.
- ° Twenty percent (20%) of all U.S. man made particulate pollution comes from the steel industry (1975).
- ° Five of the ten dirtiest rivers named by EPA in 1972 had at least 28 steel mills discharging into them.

The Compliance Record

The steel industry's record of compliance with environmental laws is very poor. While 80 to 85 percent of all industrial dischargers complied with the Water Pollution Control Act's July 1, 1977, deadline for best practicable control technology, 61 percent of the steel plants did not. At least eighty percent (80%) of sources at major steelmaking plants are in violation of air pollution control requirements.

In general, the steel industry's reaction over the years has been to avoid compliance until forced, stretching out all proceedings by maximum litigation and delay.

Control Technology and Costs

Fortunately, demonstrated control technology is available to reduce steel plant air and water emissions to permissible levels. The Japanese steel industry, for example, has already installed on almost all its steel mill operations (old and new) air quality control equipment and methods which fully meet most EPA standards. For many plants, the West German industry has installed controls similar to the Japanese.

Newer, more modern mills and processes are more efficient and are environmentally cleaner, as well. As a result, modernization and environmental clean-up can and should go forward together.

Air and water clean-up efforts will be expensive for the steel industry, however. Estimates of the total capital costs of pollution control for the industry in the years 1975-1983 range from \$6.8 billion to \$14 billion.

Meetings with Affected Groups

Because of the problems of the steel industry, we have taken steps to maintain close contact and communication with major interest groups:

- ° We have met with management officials of most of the major steel companies, including the President and Chairman of the Board of U.S. Steel Corporation, the President and Chairman of the Board of Wheeling-Pittsburgh Steel Corporation, and corporate officials of Bethlehem Steel Corporation.

These steel industry officials say that for the foreseeable future, steel-making activities will still be concentrated in the Buffalo to Chicago area; that domestic demand for steel will grow two to three percent per year, requiring expansion of capacity by 1985; that if import and price problems are solved and capital is available, some additions or replacements would take place at existing plants, but, according to some industry officials with whom we talked, most new capacity would be located on the Great Lakes between Erie, Pennsylvania, and Chicago, Illinois. Some older inland facilities would be closed.

- ° As I reported to you several weeks ago, I have met with the President and Executive Council of the United Steelworkers. Our relations with the Steelworkers are good. They have told us that they will support the industry in its efforts to obtain trade and price relief, but do not intend to attack environmental rules.

- ° We have met with representatives of the Steel Communities Coalition, the newly-formed organization of local elected officials of steel cities and counties. The Coalition, unlike the industry, wants modernization and expansion of steel plants at their present locations.
- ° We have contacted the newly-formed Steel Caucus in the House of Representatives, chaired by Representative Carney (D-Ohio), and the Senate group led by Senators Randolph, Glenn, Metzenbaum and Heinz. We were advised that, so far, these Congressional groups have focused on import restrictions.

Conclusion

Recent events have made us all aware of the steel industry situation: general over capacity in the free world, and economic distress in the U.S. and West European steel industries; increased steel imports into the U.S.; many U.S. steel plants older and to some degree less efficient than Japanese and post World War II European facilities; leading American steel companies increasingly diversified into chemicals, cement, and other fields; steel industry employment down by 100,000 workers since 1967; and an entrenched attitude of delaying environmental clean-up as long as possible.

While the outlines of the problem are reasonably clear, it also seems clear that piecemeal relief to the industry will accomplish little if the fundamental underlying problems of the industry are not resolved. Relief from environmental standards will not get at these more deeply rooted problems. Rather, our response to the steel industry should be shaped by a judgment of what kind of steel industry would be in the national interest ten or fifteen years from now, and a coordinated set of national policies to drive the industry in that direction. Such an industry should, at a minimum, be modernized, competitive, and clean.


Douglas M. Costle

THE WHITE HOUSE
WASHINGTON

October 3, 1977

The Vice President
Stu Eizenstat
Bob Lipshutz
Frank Moore
Jody Powell
~~Jack Watson~~
Jim McIntyre
Charles Schultze

The attached was returned in the President's
outbox today and is forwarded to you for
your information.

Rick Hutcheson

RE: STEEL DUMPING CASES

THE WHITE HOUSE
WASHINGTON

	FOR STAFFING
	FOR INFORMATION
/	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

ACTION
FYI

/	MONDALE
	COSTANZA
/	EIZENSTAT
	JORDAN
/	LIPSHUTZ
/	MOORE
/	POWELL
/	WATSON
/	McINTYRE
/	SCHULTZE

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER

Comments due to
Carp/Huron within
48 hours; due to
Staff Secretary
next day

	ARAGON
	BOURNE
	BRZEZINSKI
	BUTLER
	CARP
	H. CARTER
	CLOUGH
	FALLOWS
	FIRST LADY
	HARDEN
	HUTCHESON
	JAGODA
	GAMMILL

	KRAFT
	LINDER
	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	POSTON
	PRESS
	SCHLESINGER
	SCHNEIDERS
	STRAUSS
	VOORDE
	WARREN



THE PRESIDENT HAS SEEN.

THE SECRETARY OF THE TREASURY
WASHINGTON 20220

F.Y.I.

September 30, 1977

C

MEMORANDUM FOR THE PRESIDENT

Subject: Steel Dumping Cases

The Treasury will announce on Monday, October 3, a "tentative determination" under the Anti-Dumping Act that carbon steel plate from Japan is being sold in this country at "less than fair value." This determination is based on findings that Japanese producers have been marketing steel plate below the cost of production. Based on this determination, the Customs Service will be directed immediately to withhold appraisement of the affected merchandise. Importers will then be required to post bonds sufficient to cover estimated dumping duties on all further imports equal to the average margins of dumping found. These margins are about 32% in this case.

A final determination must follow in ninety days; if affirmative, the matter will go to the International Trade Commission for their determination whether a domestic industry is being injured by sales at "less than fair value."

In 1976 imports of this product from Japan were about \$174 million, thus far the largest volume of trade potentially affected by the 1974 cost-of-production amendments to the anti-dumping law.

We also understand that a petition alleging dumping of a number of steel sheet products from European Community countries may be filed in coming weeks.

Mike

W. Michael Blumenthal

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for Preservation Purposes**

THE WHITE HOUSE
WASHINGTON

October 3, 1977

Hamilton Jordan

The attached was returned in
the President's outbox. It is
forwarded to you for appropriate
handling.

Rick Hutcheson

STATUS OF PRESIDENTIAL APPOINTMENTS

THE PRESIDENT HAS SEEN.

Ham

STATUS OF PRESIDENTIAL APPOINTMENTS

September 30, 1977

Status of
Prior Report
9/23/77

U.S. CIRCUIT COURTS

Appointed.....	2	2
Vacancies.....	9	9
Nominations at Senate.....	5	3
Nominations at White House.....	0	1
Final Process at Justice.....	0	0
In Process at Justice.....	3	1

U.S. DISTRICT COURTS

Appointed.....	10	10
Vacancies.....	25	24
Nominations at Senate.....	7	6
Nominations at White House.....	1	1
Final Process at Justice.....	0	0
In Process at Justice.....	9	11

U.S. COURT OF CLAIMS

Vacancies.....	2	2
----------------	---	---

U.S. ATTORNEYS (94 positions)

Appointed.....	41	41
Nominations at Senate.....	13	13
Nominations at White House.....	4	2
Final Process at Justice.....	4	0
In Process at Justice.....	7	10

U.S. MARSHALS (94 positions)

Appointed.....	36	36
Nominations at Senate.....	15	15
Nominations at White HOuse.....	2	1
Final Process at Justice.....	2	0
In Process at Justice.....	15	17

THE WHITE HOUSE
WASHINGTON

October 3, 1977

Hamilton Jordan

The attached was returned in
the President's outbox. It is
forwarded to you for appropriate
handling.

Rick Hutcheson

RE: ASCS FIELD APPOINTMENTS AS OF
9/29/77

THE WHITE HOUSE
WASHINGTON

	FOR STAFFING
	FOR INFORMATION
/	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

ACTION
FYI

	MONDALE
	COSTANZA
	EIZENSTAT
/	JORDAN
	LIPSHUTZ
	MOORE
	POWELL
	WATSON
	LANCE
	SCHULTZE

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER
	Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day

	ARAGON
	BOURNE
	BRZEZINSKI
	BUTLER
	CARP
	H. CARTER
	CLOUGH
	FALLOWS
	FIRST LADY
	HARDEN
	HUTCHESON
	JAGODA
	KING

	KRAFT
	LINDER
	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	POSTON
	PRESS
	SCHLESINGER
	SCHNEIDERS
	STRAUSS
	VOORDE
	WARREN

September 29, 1977

THE PRESIDENT HAS SEEN.

ASCS FIELD APPOINTMENTS

Ham

STATE COMMITTEES

Appointed	51
-----------	----

STATE EXECUTIVE DIRECTORS

Appointed	21
Awaiting Formal Appointment	1
Awaiting White House Approval	1
Awaiting Security Clearance	12
In Process	4
Name Selected	4
Retention Planned	8
TOTAL	<u>51</u>

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for Preservation Purposes**

9-29-77

STATE

STATE EXECUTIVE DIRECTOR

Alabama	Wallace Steele - Appointed 9/29/77
Alaska	Charles Marsh - Awaiting Security Clearance
Arizona	Steve Faltis - Planned Retention - Democrat Appointed by Sec. Freeman
Arkansas	A. C. Mowery - Appointed 7/18/77
California	Howard Mays - Planned Retention - Career employee, retention recommended by State committee and Congressional Delegation and Asst. Sec. Bob Meyer
Colorado	Charles Bishopp - Appointed 8/26/77
Connecticut	George M. Wilber - Nominated by Sen. Ribicoff
Delaware	O. Joseph Penuel - Awaiting Security Clearance
Florida	Clyde Payne - Appointed 7/21/77
Georgia	Fritz Scarborough - Appointed 8/11/77
Hawaii	Clarence Chau - Planned Retention - Retention recommended by Congressional Delegation
Idaho	Harland Blackburn - Awaiting Formal Appointment
Illinois	William O'Daniel - In Process
Indiana	Loyd Jones - Appointed 8/1/77
Iowa	James K. Hatcher - Appointed 8/1/77
Kansas	Jim Ray - Appointed 7/25/77
Kentucky	Beverly Yeiser - Appointed 7/11/77
Louisiana	Willie Cooper - Planned Retention - Retention recommended by Congressional Delegation
Maine	Arthur Carroll - Awaiting Security Clearance
Maryland	James Voss - Awaiting Security Clearance
Massachusetts	Myron Maiewski - Appointed 9/29/77
Michigan	Richard Grabemeyer - Awaiting Security Clearance

9-29-77

STATE

STATE EXECUTIVE DIRECTOR

Minnesota	Howard Carlson - Appointed 8/11/77
Mississippi	D. L. Triggs - Appointed 6/29/77
Missouri	Alan King - In Process
Montana	Lyall Schaefer - Appointed 9/27/77
Nebraska	Glenn Kreuscher - Appointed 9/9/77
Nevada	Albert Pasquale - Awaiting White House Approval
New Hampshire	Dennis Fenton - Planned Retention - Democrat Appointed by Sec. Freeman
New Jersey	John Olsen - Recommended by Sen. Williams
New Mexico	Leo Griego - Awaiting Security Clearance
New York	George Komer - Awaiting Security Clearance
North Carolina	C. P. Stewart - Appointed 9/19/77
North Dakota	David Strauss - Appointed 8/26/77
Ohio	Ralph Cochran - In Process
Oklahoma	John Goodwin - Nominated by Various Delegation Members
Oregon	Talbert Sehorn - Appointed 8/5/77
Pennsylvania	Carl Kaufman - In Process
Puerto Rico	Carlos Troche - Planned Retention - Democrat Appointed by Sec. Freeman
Rhode Island	Richard Kenyon - Pending Retirement - Democrat Appointed by Sec. Freeman
South Carolina	Melvin Crum - Appointed 6/29/77
South Dakota	Wayne Testerman - Appointed 9/29/77
Tennessee	Royce Adams - Appointed 8/3/77
Texas	Leonard Williams - Appointed 9/15/77
Utah	Joseph Adair - Awaiting Security Clearance
Vermont	Al Heald - Planned Retention - Has status in position

9-29-77

STATE

STATE EXECUTIVE DIRECTOR

Virginia

Leland Beale - Awaiting Security Clearance

Washington

Donald Heinemann - Awaiting Security Clearance

West Virginia

James Coburn - Recommended by Cong. Rahall

Wisconsin

Stewart Huber - Awaiting Security Clearance

Wyoming

Carl Otto - Awaiting Security Clearance

FARMERS HOME ADMINISTRATION STATE DIRECTOR STATUS, September 30, 1977

<u>STATE</u>	<u>ACTION*</u>	<u>DESIGNEE or NEW DIRECTOR</u>	<u>TARGET DATE</u>
Arizona	Transfer	Manuel Dominguez	October 30
Arkansas	Program Assistant	Sherman Williams	October 30
Alabama	Removed	Elizabeth Wright	October 30
Illinois	Resignation	Jon Linfield	October 30
Iowa	Program Assistant	Max McCord	November 30
Kentucky	Resignation	William Burnette	October 15
Louisiana	Resignation	Nimrod Andrews	November 30
Maine	Detail/Program Assistant	Awaiting Congressional recommendations	
Delaware	Transfer	Awaiting Congressional recommendations	
Missouri	Program Assistant	Allan Brock	October 30
Mississippi	Deatil/Program Assistant	Mark Hazard	October 30
North Carolina	Program Assistant	Clifton Perry	October 30
North Dakota	Transfer	Fred Gengler	Now serving
Oklahoma	Program Assistant	Awaiting Congressional recommendations	
Oregon	Retain Incumbemt	Ken Keudell	Now serving
Virginia	Program Assistant/ Resignation	E.A. Ragland	October 18
Pennsylvania	Removed	Awaiting Congressional recommendations	
Puerto Rico	Removed	Juan Jose Jimenez	November 30
Washington	Holding	Awaiting Congressional recommendations	
Wisconsin	Detail/Program Assistant	Larry Dahl	October 15
Wyoming	Program Assistant	Rudolph Knoll	October 15
California	Removed	Lowell Pannell	Now serving
Colorado	Removed	Ernie Phillips	Now serving
Florida	Retirement	Mike Hightower	October 25
Georgia	Resignation	Robert Blalock	Now serving

<u>STATE</u>	<u>ACTION*</u>	<u>DESIGNEE or NEW DIRECTOR</u>	<u>TARGET DATE</u>
Idaho	Vacant**	Andrew McCarter	Now serving
Indiana	Removed	Bud Posey	Now serving
Kansas	Removed	John Denyer	Now serving
Michigan	Removed	Bob Mitchell	October 25
Minnesota	Resigned	John Apitz	Now serving
Montana	Vacant**	Wallace Edland	Now serving
Nebraska	Vacant**	Leonard Hanks	Now serving
New Mexico	Resignation	David King	Now serving
New York	Resignation	Karen T. Hansen	October 1
Ohio	Removed	Gene Abercrombie	Now serving
South Carolina	Vacant**	Karl Smith	Now serving
South Dakota	Removed	Jack Weiland	Now serving
Tennessee	Resignation	Wayne Avery	Now serving
Texas	At-Large	Bill Pieratt	Now serving
Utah	Vacant**	Reed Page	Now serving
Vermont	Transfer	Brian Burns	Now serving
West Virigina	Vacant**	James Facemire	October 1

*Action taken regarding incumbent in position

**Position vacant when current selection process was started

THE WHITE HOUSE
WASHINGTON

October 3, 1977

Frank Moore

The attached were returned in
the President's outbox today.
The letters to Congressman
O'Neill and Senator Byrd are
forwarded to you for delivery.

Rick Hutcheson

RE: LABOR-HEW SITUATION

THE WHITE HOUSE
WASHINGTON

<input type="checkbox"/>	FOR STAFFING
<input type="checkbox"/>	FOR INFORMATION
<input checked="" type="checkbox"/>	FROM PRESIDENT'S OUTBOX
<input type="checkbox"/>	LOG IN/TO PRESIDENT TODAY
<input type="checkbox"/>	IMMEDIATE TURNAROUND

ACTION
FYI

<input type="checkbox"/>	MONDALE
<input type="checkbox"/>	COSTANZA
<input type="checkbox"/>	EIZENSTAT
<input type="checkbox"/>	JORDAN
<input type="checkbox"/>	LIPSHUTZ
<input checked="" type="checkbox"/>	MOORE - <i>def. 10</i>
<input type="checkbox"/>	POWELL
<input type="checkbox"/>	WATSON
<input checked="" type="checkbox"/>	LANCE <i>2m</i>
<input type="checkbox"/>	SCHULTZE

<input type="checkbox"/>	ENROLLED BILL
<input type="checkbox"/>	AGENCY REPORT
<input type="checkbox"/>	CAB DECISION
<input type="checkbox"/>	EXECUTIVE ORDER
Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day	

<input type="checkbox"/>	ARAGON
<input type="checkbox"/>	BOURNE
<input type="checkbox"/>	BRZEZINSKI
<input type="checkbox"/>	BUTLER
<input type="checkbox"/>	CARP
<input type="checkbox"/>	H. CARTER
<input type="checkbox"/>	CLOUGH
<input type="checkbox"/>	FALLOWS
<input type="checkbox"/>	FIRST LADY
<input type="checkbox"/>	HARDEN
<input type="checkbox"/>	HUTCHESON
<input type="checkbox"/>	JAGODA
<input type="checkbox"/>	KING

<input type="checkbox"/>	KRAFT
<input type="checkbox"/>	LINDER
<input type="checkbox"/>	MITCHELL
<input type="checkbox"/>	MOE
<input type="checkbox"/>	PETERSON
<input type="checkbox"/>	PETTIGREW
<input type="checkbox"/>	POSTON
<input type="checkbox"/>	PRESS
<input type="checkbox"/>	SCHLESINGER
<input type="checkbox"/>	SCHNEIDERS
<input type="checkbox"/>	STRAUSS
<input type="checkbox"/>	VOORDE
<input type="checkbox"/>	WARREN



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

September 30, 1977

ACTION

MEMORANDUM FOR: THE PRESIDENT

FROM: James T. McIntyre, Jr.
Acting Director

Jim McIntyre

Attached is a letter which you may want to send to Speaker O'Neill and Senator Byrd. The intent is to show that you have the Labor-HEW situation under control even though the appropriations bill hasn't passed. It also indicates that you intend to fully comply with the law prohibiting new obligations until the 1978 appropriations bill is approved.

The principal danger in sending this letter is that it may appear that you are criticizing the Congress.

If you should decide to send these letters, Frank Moore suggests that they not be released to the press at this time.

Agree with letter

✓

Disagree with letter

J

Attachments

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for Preservation Purposes

THE WHITE HOUSE
WASHINGTON

September 30, 1977

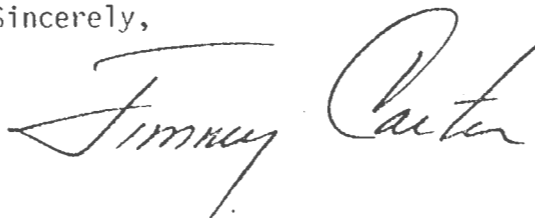
To Speaker Tip O'Neill

Fiscal Year 1977 will end at midnight today and the Congress has not provided 1978 appropriations for the Department of Health, Education, and Welfare; the Department of Labor; the Agency for International Development; the District of Columbia; and several other agencies. Under the law, no new contracts can be awarded or grants or purchases made by these agencies. Moreover, salary payments will have to stop as early as October 4 for the ACTION agency and within three weeks for other affected agencies.

I have asked the Director of OMB to notify these agencies that they must plan fully to observe the requirements of law in these instances. However, I am also sure that you and the other Members of Congress would agree that the activities of government should not be unduly interrupted. You may be assured that we will attempt to meet the requirements of law with the minimum possible disruption, recognizing, of course, that we cannot enter into any obligations for 1978 funds until an appropriate appropriations bill has been approved by the Congress and signed by me.

I urge the Congress to enact the regular appropriations bills as quickly as possible.

Sincerely,

A handwritten signature in cursive script, reading "Jimmy Carter". The signature is written in dark ink and is positioned to the right of the word "Sincerely,".

The Honorable Thomas P. O'Neill, Jr.
Speaker of the House of Representatives
Washington, D. C. 20515

THE WHITE HOUSE
WASHINGTON

September 30, 1977

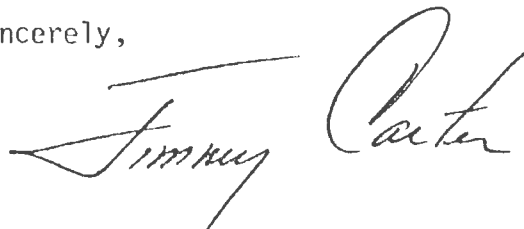
To Senator Bob Byrd

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I urge the Congress to enact the regular appropriations bills as quickly as possible.

Sincerely,

A handwritten signature in cursive script, reading "Jimmy Carter". The signature is written in dark ink and is positioned below the word "Sincerely,".

The Honorable Robert C. Byrd
Majority Leader
United States Senate
Washington, D. C. 20510

THE WHITE HOUSE
WASHINGTON
October 1, 1977

The Vice President
Stu Eizenstat
Bob Lipshutz
Frank Moore
Jack Watson

The attached will be submitted
to the President. This copy
is forwarded to you for your
information.

Rick Hutcheson

RE: LETTER TO SENATORS BYRD
AND O'NEILL

THE WHITE HOUSE
WASHINGTON

10/3/77
Cabinet

> UN visit

BI - 781114

Soc Sec vote - Talmadge

> HEW paperwork reduction
Ed - 6.1 mil hours

> Health Reorg 37 → 16

> Illegal alien legislation

> ^{Congress} ~~one house~~ veto announcement
re auto seat belts, etc

> Energy legis

> Western trip - 10/21-22

> No mtg 10/10

> IFI - Vietnam

> Welfare reform / Moynihan

> SU grain purchases

Panama treaty interpretations

Copper industry probs - 8000 unemployed

CTB - 10/3

Salt expires - 10/3

Comp - Veterans - Aged - Cancer -

THE WHITE HOUSE
WASHINGTON

CSCE 10/4

Sec Council Victory @ UN
V Nam repatriation → 148:1

ILA strike - ok on m. 1 # Ag

OSHA - Generic standards - cancer

Debt ceiling \$150 + 2% -

2 - 2 1/2 weeks

IFI 1hr → T.P

Bank / IMF mtg

MTN - many have hope

Steel.

Ag exports \$24 Bil - highest

54 grain purchases

^{Anty}
Hud ~~Anty~~ bill - Pete Wilson

Reorg regional offices

Oil import fees \$5/bbl

no new price - new oil

THE WHITE HOUSE
WASHINGTON

Net 900 = need to help \bar{e} Ford
Chafee

Schlesinger \rightarrow Europe

MTN - Swiss formula $44\% \pm 5$

Mexican - elim trade barriers

Implemented DoE

10/12 Cab mty on reorg

Reorg/2BB/'79 budget

Nov \rightarrow Dec meet \bar{e} Pres budget

Reg Hwy - 4MTA - FAA mty

Southern tier - NY highway
multi agency approach

\$280 mil \rightarrow NYC Mass Xport

Japan $7\frac{1}{2}$ B stimulus

no Δ US/J trade deficit

Basic difference

Unionization of mil. directive

HB \rightarrow Mike Plan group

THE WHITE HOUSE
WASHINGTON

Rich—

The original of this
has also gone to
Shanton

THE WHITE HOUSE
WASHINGTON

October 3, 1975

TO THE PRESIDENT

FROM JIM FALLOWS *JF*

Here is a suggested text (drafted by Rick Hertzberg in consultation with State, NSC, and USUN people) for the Human Rights Covenants signing ceremony.

Jody agrees with me that this occasion warrants a text.

STATEMENT ON SIGNING THE HUMAN RIGHTS COVENANTS, UNITED NATIONS
October 5, 1977

I am deeply honored that it has fallen to me, as President of the United States of America, to sign on behalf of my country these two International Covenants on Human Rights.

Of the many affinities between the United States and the United Nations, perhaps the most important is that both had their origins in a vision of the beauty and greatness of human possibility. The American Declaration of Independence speaks of the idea that "all men are created equal; that they are endowed by their Creator with certain inalienable rights; that among these are life, liberty, and the pursuit of happiness." The Charter of the United Nations speaks of "faith in fundamental human rights, in the dignity and worth of the human person, in the equal rights of men and women and of nations large and small." Though separated by centuries in time, these visions are identical in spirit; and the degree to which the one is the ancestor of the other is something of which Americans can justifiably be proud.

The Covenants I sign today are unusual in the world of international politics and diplomacy. They say nothing about the glories of powerful governments, or the military alliances among nations, or the privileges and immunities of statesmen and officials. Instead, they are concerned with the rights of individual human beings as against the arbitrary power of governments, and the duties of governments to the people governments are created to serve. The Covenant

on Civil and Political Rights concerns what governments must not do to their people; the Covenant on Economic, Social and Cultural Rights concerns what governments must do for their people.

By ratifying the Covenant on Civil and Political Rights, a government pledges, as a matter of law, to refrain from subjecting its people to arbitrary imprisonment or execution or to cruel or degrading treatment. It recognizes the right of every person to freedom of thought, conscience, and religion, freedom of opinion, expression and association, and the rights of peaceful assembly and of emigration. It acknowledges that if it violates any of these basic rights, it does so in defiance of its own expressed standards and those of the world community. A government entering this Covenant states explicitly that there are sharp limits to its powers over the lives of its people; but, as Thomas Jefferson once wrote, in a letter supporting the addition of a Bill of Rights to the Constitution of the infant American Republic, "these are fetters against doing evil which no honest government should decline."

By ratifying the Covenant on Economic, Social and Cultural Rights, a government commits itself to its best efforts to secure its citizens a basic standard of material existence, social justice, and cultural opportunity. It recognizes the right of each person to work, to fair wages, to freedom from hunger, and to health care and education. This Covenant implicitly recognizes that governments are the instruments and servants of their people -- that a government must not only refrain from abusing the political

rights of its citizens, it must undertake positive obligations toward them as well.

Both of these Covenants express values that the people of my country have believed in for a long time. I will seek ratification by the Congress of the United States at the earliest possible date.

It would be idle to pretend that these two Covenants reflect the world as it is or as it is likely to be any time soon. But to those who believe that instruments of this kind are futile, or who despair that the values and aspirations they reflect will never be translated into reality, I would suggest that there are hopeful lessons to be learned in the history of my own country. The two founding documents of human rights in the United States, the Declaration of Independence and the Bill of Rights, expressed a lofty standard of liberty. Yet in practice these rights were enjoyed only by a small segment of the people. In the years and decades that followed, these rights were expanded in meaning and extended to larger and larger segments of the population. And those who struggled for universal suffrage, for the abolition of slavery, for women's rights, and for racial equality drew their inspiration from these great documents. Because the beliefs expressed in these documents were at the heart of what Americans most valued about themselves, they created a momentum toward the realization of the hopes they held out. My hope, and my belief, is that the International Covenants I sign today can play a similar role in the advancement and ultimate realization of human rights in the world at large.

*Rick - Tom Liberton
has original*

THE WHITE HOUSE

WASHINGTON

October 3, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: JIM FALLOWS *JL*

SUBJECT: Western and Eastern European Dinner

Rick Hertzberg prepared these talking points from material supplied by State and NSC.

1. General. The hope of peace and cooperation among the nations of Europe is one that Americans share with the peoples of Europe -- and with the peoples of Australia, New Zealand, and Israel (who will also be represented at the dinner).

Every nation represented here is also represented in the cities and towns of America. Even into the third and fourth generations, those Americans enthusiastically preserve their attachments to their nations of origin.

Today, the challenges of industrial society no longer concern our countries only. All nations share them, and no nation, acting alone, can ensure peace or material security for its people.

Nothing focuses our attention more clearly on our common concerns than the opening of a United Nations General Assembly.

2. Belgrade. This is a day of special significance -- the opening of the CSCE Review Conference in Belgrade.

The Belgrade Conference represents an effort by nations long and often bitterly divided to build on principles reflecting the spirit and meaning of the UN Charter itself. On these principles, we are united: we want to diminish the danger of war, increase the flow not only of commerce but also of communication, and promote the rights of our citizens as human beings -- political, social, economic and cultural.

Though European in their focus, these efforts are universal in their implications. They will be watched in other regions of the world.



THE PRESIDENT HAS SEEN.

EMBASSY OF THE
UNITED STATES OF AMERICA
APO San Francisco 96404

Mr. Carter

C

October 3, 1977

Chief:

You have enough to read and enough to do. For those reasons I am reluctant to burden you further. But I live in a country where the central problem -- every morning -- every night -- all day long -- is the trade union influence on the political process. Thus I read on the subject. Australia is in real distress. Due many think to the influence of the British Trade Union.

The attached article should be read in its entirety, but I have underlined much of it to give emphasis to its message. The author is leaving the Labor Party. His reasons are eloquently expressed.

Simply stated, his reason is the total disregard by the trade union for the individual.

My concern is that the President be made aware of the danger. The Closed Shop -- Common Situs Picketing in my opinion are goals of those who would be in favor of the overthrow of our Government. A strong charge, but I believe it to be true.

I am not opposed to labor unions. I am in favor of preserving the rights of each individual in the United States as guaranteed by our Constitution. I do not want us to go the way of the UK or Australia.

The right to work is consistent with the President's philosophy.

If he is on record favoring or as being willing to sign a Common Situs Picketing bill, I would urge him to say "that after having studied the situation I conclude I was in error and that such legislation is contrary to the best interests of the American people and particularly the American worker".

The nation would applaud.

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It is Monday here -- a holiday -- and I am at the office listening to beautiful music and Elk is waiting for me. She says she has done a letter for you and Boo so I'll not give you a report. It is spring, the dogwood is about to blossom -- the birds are singing and it is altogether strange. The football season has just ended and it is just commencing for you. (Maybe it is over. Heard through a telephone call from home that Georgia has lost to Clemson and to Alabama.)

Hope all is well. Let me know if you elect to present to the President my message.

As ever,



Philip H. Alston, Jr.

Mr. Charles H. Kirbo
King & Spalding
2500 Trust Company Tower
Atlanta, Georgia 30303

Do you see Heavy
L. Bowden - Conly Region
W. B. Green the Indian
friend - if so my legends
to each -

Why don't you & Boo
Come this way -

Say hello to Buel if
you get time to
visit home -

10-4

SSC

for the record -
President read the
attached & asked me
to call Frank Moore
or V.P. to ask
VP to make
calls - vl
called FBI from
U.S. on
annual -
TH

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

October 3, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: FRANK MOORE *F.m.*
STU EIZENSTAT *Stu*

SUBJECT: Recommended Telephone Calls

We need you to telephone the following Senators before 10:00 a.m., Tuesday, October 4. Knowing your schedule, we recommend that you make these calls from Air Force I tomorrow morning.

Senator Lloyd Bentsen
Senator John C. Danforth
Senator Bob Packwood

PURPOSE: To urge them to support increasing the employer tax base rather than an increased tax rate in financing social security.

BACKGROUND: The Senate Finance Committee meets tomorrow morning at 10:00 to mark-up the social security financing bill. Two plans are before the committee. One by Senator Nelson relies on increasing the employer wage base to \$100,000 which approximates the Administration's proposal. Senator Curtis has a plan which relies on a tax increase of .4 percent in 1979. In a straw vote last Friday the committee tied 9 to 9. Senators Bentsen and Packwood voted for the Curtis proposal but may be willing to switch their vote. Senator Danforth voted for the Nelson plan but is wavering. The votes went as follows:

For the Curtis Motion

Talmadge
Byrd
Bentsen
Curtis
Hansen
Dole
Packwood
Roth
Laxalt

Against the Curtis Motion

Long
Ribicoff
Nelson
Gravel
Hathaway
Haskell
Matsunaga
Moynihan
Danforth

TALKING POINTS

1. Administration strongly favors relying on wage base increases rather than tax rate increases.
2. The Curtis plan provides inadequate financing for the OASDI program. OASDI reserve levels fall dangerously low -- below 20 percent in 1981 through 1986.
3. As compared with the committee bill, Senator Curtis' proposal would increase taxes on all employees and would increase the taxes employers pay for middle and low income workers. This would provide a disincentive to hiring employees at middle and low wage levels.
4. Because of its inadequate financing, Senator Curtis' proposal would leave a long-term deficit in the OASDI program of roughly .4 percent of payroll (employer and employee combined).

THE WHITE HOUSE
WASHINGTON

Mr. President:

Bob Lipshutz has no comment.

Rick (wds)



THE PRESIDENT HAS SEEN.

Office of the Attorney General
Washington, D. C. 20530

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October 3, 1977

MEMORANDUM FOR: The President

FROM: The Attorney General

SUBJECT: Your Question about Tong Sun
Park being deposed jointly
by the Justice Department
and Leon Jaworski

As you know, I am sending Ben Civiletti to Seoul to seek Korean Government agreement on terms and conditions with respect to our communicating with Tong Sun Park.

Leon Jaworski has been advised of our plans and invited to participate. The Senate Ethics Committee has also been invited to participate. However, so far, neither Jaworski nor the Senate Ethics Committee has asked to be included. The Senate Committee did indicate that it did not wish to be represented by Jaworski but would send its own counsel.

Should Jaworski or Senate counsel become interested, procedures for "back to back" interrogations could certainly be devised. Joint interrogation, however, may be precluded by the law of grand jury secrecy because our questions would contain grand jury information.

William B. Beebe

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MEMORANDUM

THE WHITE HOUSE

WASHINGTON

INFORMATION

October 4, 1977

MEMORANDUM FOR: THE PRESIDENT
FROM: DAVID AARON 
SUBJECT: Tong Sun Park

You asked recently whether it would be possible for Tong Sun Park to be deposed jointly by Justice and Jaworski.

To respond to your question, we asked Attorney General Bell for his opinion. That opinion is attached.

THE WHITE HOUSE
WASHINGTON

October 4, 1977

Bob Lipshutz

The attached is sent to you for
your information. If you wish
to comment, please call by
12:00 Noon, tomorrow.

Rick Hutcheson

RE: TONG SUN PARK

THE WHITE HOUSE
WASHINGTON

October 4, 1977

Bob Lipshutz

The attached is sent to you for
your information. If you wish
to comment, please call by
12:00 Noon, tomorrow.

Rick Hutcheson

RE: TONG SUN PARK

*Memo to the President.
From Bob Lipshutz.
I have nothing
to add to the memo
from the Attorney General.*

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

October 3, 1977

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MEMORANDUM TO: THE PRESIDENT
FROM : Frank Press *FP*
SUBJECT : Ecological Effects of a Sea Level Canal
Across the American Isthmus

In August I notified you that I was reviewing our current state of knowledge about the environmental effects of a sea level canal connecting the Atlantic and Pacific Oceans. The National Academy of Sciences has just completed an assessment of potential ecological effects of such a project and has reached some interesting and potentially useful conclusions.

The last comprehensive review of the effects of a sea level canal was performed by the Atlantic-Pacific Interoceanic Canal Study Commission in 1970 and held that "the risk of adverse ecological consequences stemming from construction and operation of a sea level canal appears to be acceptable." The Academy's report finds no scientific justification for such a conclusion, noting that "the modest advances in knowledge since the Commission's report, generally confirm the susceptibility of the region's marine communities to potential disruption from mixing of the Atlantic and Pacific biotas."

The Academy's review makes clear that a sea level canal would provide a pathway for interchange of marine organisms between the oceans, with severe irreversible ecological effects. The effects of migration of species could be beneficial (if new commercial or sport fisheries were established) or detrimental (if certain species were eliminated or unwanted species and disease organisms were introduced). Deficiencies in our knowledge of the ecological systems involved make it impossible to predict the precise effects. The review cites past examples where the unintentional introduction of a new species has had unexpected, harmful effects. The report concludes that some of the potential adverse effects could be quite significant. These include:

- "Coral reefs in the Caribbean may lack natural defense against three Pacific predators (of coral) that could migrate through a sea level canal."
- The poisonous eastern Pacific yellow-bellied sea snake could also migrate to the Caribbean.

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- "The most significant ecological hazard could be the introduction of virtually unknown parasites and pathogens. . . Migration of disease organisms could possibly affect the shrimp, fin fish, and fish meal industries in both oceans."
- "Canal construction could be expected to produce significant local effects. . . The transport of sediments by local currents would harm mangrove shores, sea grass beds and coral reefs for undetermined distances along the coasts."

The uncertainties led the Academy to urge the use of a barrier system to inhibit passage of organisms in the event that a new sea level canal is built. The report notes that there are many unanswered questions about how to design an appropriate barrier; it also concludes that "the practicality of maintaining thermal or fresh water barriers large enough to prevent migration is unconfirmed." Several novel barrier techniques (e.g., toxicants, bubble curtains) have been suggested but no one has carefully investigated their efficacy or feasibility.

Experience with the Panama Canal demonstrates that a fresh water barrier (as now provided by Gatun Lake) can inhibit the passage of organisms. The Academy report does indicate, however, that the current demand on the Lake Gatun watershed is already close to the limit of fresh water supply, raising the question of the availability of fresh water for a new canal and opening the possibility of migration of species between the oceans through the existing canal if its water should become more saline.

On the basis of this information, I would recommend that you bear in mind the issue of potential ecological effects in your discussions and public statements and, as appropriate, acknowledge that the issue will require further detailed study.

CEQ has also studied the National Academy of Sciences' report and agrees with our comments and recommendations.

THE WHITE HOUSE
WASHINGTON

October 4, 1977

The Vice President
Stu Eizenstat
Hamilton Jordan
Jody Powell
Jack Watson
Jim McIntyre
Zbig Brzezinski

The attached will be submitted
to the President. This copy is
sent to you for your information.

Rick Hutcheson

RE: ECOLOGICAL EFFECTS OF A SEA
CANAL ACROSS THE AMERICAN
ISTHMUS

THE WHITE HOUSE
WASHINGTON

October 3, 1977

Charles Warren

The attached was returned in
the President's outbox. It is
forwarded to you for appropriate
handling.

Rick Hutcheson
cc: The Vice President
Stu Eizenstat
Bob Lipshutz
Jack Watson

RE: CEQ WEEKLY STATUS REPORT

THE WHITE HOUSE
WASHINGTON

	FOR STAFFING
	FOR INFORMATION
/	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

ACTION	FYI	
	/	MONDALE
		COSTANZA
	/	EIZENSTAT
		JORDAN
	/	LIPSHUTZ
		MOORE
		POWELL
	/	WATSON
		McINTYRE
		SCHULTZE

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER
	Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day

	ARAGON
	BOURNE
/	BRZEZINSKI
	BUTLER
	CARP
	H. CARTER
	CLOUGH
	FALLOWS
	FIRST LADY
	HARDEN
	HUTCHESON
	JAGODA
	GAMMILL

	KRAFT
	LINDER
	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	POSTON
	PRESS
	SCHLESINGER
	SCHNEIDERS
	STRAUSS
	VOORDE
/	WARREN

THE PRESIDENT HAS SEEN.

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EXECUTIVE OFFICE OF THE PRESIDENT
COUNCIL ON ENVIRONMENTAL QUALITY
722 JACKSON PLACE, N. W.
WASHINGTON, D. C. 20006

September 30, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: Charles Warren
Gus Speth
Marion Edey **ME**

SUBJECT: CEQ Weekly Status Report

Reprocessing/Non-proliferation. In May the NRC requested the Administration's views concerning the relationship between your non-proliferation policies and the Commission's consideration of whether to authorize wide-scale commercial reprocessing of spent nuclear fuel. The Administration has not yet formally transmitted its views to the Commission. In the meantime, the NRC has requested the Solicitor General to argue in a case before the Supreme Court that licensing of individual fuel reprocessing plants should be permitted before the NRC completes its generic environmental review of reprocessing. If the Solicitor takes this position it could undermine your position against commercial reprocessing announced in your April statement on non-proliferation. We believe the Administration should promptly transmit its views to the Commission, and request the Solicitor to seek a court deferral to allow the Commission to complete its deliberations.

Conference on Water Pollution Control Act. House and Senate conferees begin meeting on the Federal Water Pollution Control Act amendments next Tuesday, October 4. The House and Senate bills are quite far apart on several key issues, including wetlands protection, control of toxic pollutants, and deadlines for industrial compliance. At this stage, we would suggest that you raise the matter briefly at Cabinet meeting and ask appropriate Secretaries (particularly Cecil and Bob Bergland) to help as needed. We also suggest raising the bill at your Congressional Leadership breakfast on Tuesday, and indicating the Administration's desire to get a good bill out of conference which will protect wetlands and provide adequate control over toxic and other industrial discharges.

Highway Projects. We met on September 26 with Brock Adams, Doug Costle, Cecil Andrus and Jack Watson, to discuss Adams' proposed decisions on several controversial highway projects. We agreed to establish procedures (1) for DOT to consult CEQ, EPA and Interior before making decisions on highway projects that would have serious adverse environmental impacts, and (2) for eliminating duplication and delay in reviewing highway projects. CEQ's first list of highway projects with environmental problems will be sent to Adams next week.

*Charles.
Received Mon P.M.
Where did the decision come
from to call for a
moratorium on all nuclear
plants until after waste
disposal? is solved?
J*

THE PRESIDENT HAS SEEN.

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THE WHITE HOUSE
WASHINGTON



MINUTES OF THE CABINET MEETING

Monday, October 3, 1977

The twenty-ninth meeting of the Cabinet was called to order by the President at 9:00 a.m., Monday, October 3, 1977. All Cabinet members were present except Mr. Vance, who was represented by Deputy Secretary of State Warren Christopher. Other persons present were:

Joe Aragon	Robert Lipshutz
Barbara Blum	Bunny Mitchell
Peter Bourne	Dick Moe
Zbigniew Brzezinski	Frank Moore
Landon Butler	Frank Press
Hugh Carter	Charles Schultze
Stu Eizenstat	Jay Solomon
Jane Frank	Stansfield Turner
Rex Granum	Charles Warren
Richard Harden	Jack Watson

The President said that he had decided not to hold a Cabinet meeting next Monday, October 10. It is Columbus Day, and the House will be in recess. He asked for comments from Cabinet members, beginning with the Deputy Secretary of State:

1. Mr. Christopher said that he had spent an anxious weekend monitoring the hijacking of a plane (now en route to Algiers) by Japanese Red Army terrorists. There are still twelve hostages on the plane, one of them an American citizen. Algeria has agreed to accept the plane, and Mr. Christopher said that he hopes the remaining hostages will be released there. The terrorists boarded the plane in Bombay, where there are no metal detection devices at the airport. The State Department is assessing how the event occurred and what steps can be taken to prevent similar events in the future.

-- Considerable progress was made last week at the U.N.; the UK/U.S. plan on Rhodesia was accepted by the Security Council, and a UN representative was named.

-- The issuance of a joint Soviet-American declaration of principles for a Middle East peace conference in Geneva has raised considerable criticism from the Israelis, but Mr. Christopher expressed hope that the conference will still take place later this year.

-- There has been a further narrowing of the gap on SALT II.

-- The United States presented its case on the Panama treaties in testimony before Congressional committees last week. Mr. Christopher said that the most serious problem was differing interpretations of the neutrality and "expeditious passage" provisions in the neutrality treaty. The United States is working on ways to clarify these provisions.

2. Mr. Andrus met last week with executives of the copper industry who are concerned about prices and substantial unemployment in their industry. The same executives had also met with Ms. Kreps. The problems with the industry also have international trade aspects which need to be discussed with Mr. Vance and Mr. Strauss. The President asked Jack Watson to look into the matter and determine what inter-agency action might be appropriate.

3. Mr. Califano predicted that the Social Security legislative package will be kept intact in the House. In the Senate, Finance Committee Chairman Russell Long is reconsidering the employer tax and may join the Republicans in opposing the Administration's proposal.

-- The President commended Mr. Califano for his reorganization of the Public Health Service under which the number of staff reporting to the Assistant Secretary for Health has been reduced from 37 to 16. He also noted Mr. Califano's outstanding job on reducing paperwork in the education area. Mr. Califano said that the reporting burden on college applicants and educational institutions has been reduced by 6.1 million person-hours per year. In most instances, quarterly reports have been abolished for educational grantees and have been replaced by an annual report. The President noted that he had reduced paperwork by approximately 30% when he was Governor of Georgia, and asked other Cabinet members to look at their reporting and other paperwork requirements in an effort to reduce them to the greatest feasible extent. Mr. Marshall said that, ironically, more reports often result in less information, since the paperwork can become so voluminous that no one really reviews it.

4. Mr. Schultze said that he had nothing to report.

5. Dr. Brzezinski said that NSC has prepared a position paper for the Geneva meeting on the Comprehensive Test Ban; the conference will involve the U.S., USSR and the U.K. The President will have to resolve some disagreements among some of the participating agencies.

-- Although the interim SALT agreement expires today, the U.S. and USSR are expected to continue to comply with it pending agreement on SALT II.

-- The plenum of the Soviet Central Committee meets today.

-- Dr. Brzezinski reiterated Mr. Christopher's comment that the gap on SALT has been narrowed.

-- The British Labor Party opens its conference today, and neutron weapons are certain to be discussed.

-- The President will speak at the U.N. tomorrow as part of a two-day visit to New York City.

-- The Conference on Security and Cooperation in Europe (CSCE) will begin in Belgrade this week. Ambassador Arthur Goldberg will lead the U.S. delegation. The President asked whether the text of Ambassador Goldberg's speech was available. Mr. Christopher said that it is still being reviewed at the State Department, and that Ambassador Goldberg will not speak until later in the week. The President said that he does not wish to review the speech personally, provided other agencies are in agreement with its content.

6. Ambassador Young noted that the recent approval by the Security Council of the U.K./U.S. resolution on Rhodesia was the first time a U.S.-sponsored resolution has been approved in that body since before the Vietnam war. The resolution was supported by all Security Council members except the USSR who abstained, and China who did not vote. He noted that the Ambassador from Panama, whose country currently sits on the Security Council, lobbied for the U.S. with uncommitted members.

-- Mr. Young said that the President's visit to the U.N. tomorrow will be extremely well-received and helpful, but that our position on some issues, such as Vietnam reparations, are not popular.

7. Mr. Marshall said that the Longshoremen's strike has been limited so far to containerized shipping, and that the union has agreed to continue to move military equipment and perishables. It is possible that the strike will spread to the West Coast if the negotiators do not accomplish their objectives with the limited strike.

-- The Labor Department is revising OSHA's regulatory process. As part of that revision, OSHA has established a new framework for dealing with cancer-causing substances. Previously, over 1,500 potentially cancer-causing substances were dealt with on a case-by-case basis. Under the new approach, the Department has established three basic model standards with which manufacturers must comply.

8. The Attorney General had no report.

9. Mr. Blumenthal described Treasury's plans to borrow money in the absence of Congressional action on legislation to raise the debt limit. He predicted that Congress would raise the limit by \$53 - \$54 billion, despite the Administration's initial request of over \$80 billion, and that this amount would be sufficient to finance spending until about March. Mr. Blumenthal said that it makes no sense for Congress to enact a budget resolution authorizing the level of federal government expenditures, and then to have to go through a separate ritual of increasing the debt limit to that amount. Mr. Adams noted that some Members of Congress support an initiative whereby action on the budget resolution would automatically be taken as approval for raising the debt ceiling to the budget total. The President and Mr. Blumenthal said that they would welcome such an approach.

-- Mr. Blumenthal commended the help of House Majority Leader Jim Wright in reaching a compromise on the International Financial Institutions (IFI) legislation. He has drafted a letter for the President's signature to Members of Congress and hopes that it will be sent out today. The President said that he had asked the State Department to review the letter, and that comments were expected back today.

-- Mr. Blumenthal said that he thought the meeting with 100 Congresspersons on IFI legislation went well--an impression which Mr. Young confirmed on the basis of his conversations with some of those who attended.

-- Mr. Blumenthal said that the International Monetary Fund (IMF) meetings concluded last week, and that Treasury's participation went well.

-- He noted that the U.S. economy is doing relatively well compared to the economies of other countries of the world. Mr. Blumenthal said that discussions at the meeting underscored the importance of a prompt enactment of the IFI legislation proposed by the President. The meeting also emphasized the importance of the Multinational Trade Negotiations (MTN) which are seen by many as the best way for many countries to deal with their trade problems.

-- Mr. Blumenthal said that the Interagency Task Force on the steel situation is proceeding in accordance with the procedures worked out by members of the task force and approved by the President.

-- Mr. Blumenthal said that he is awaiting the President's decisions on the tax reform proposal. The President said that he will finish his review of the package this week.

10. Mr. Bergland said that U.S. agricultural exports totaled a record of approximately \$24 billion for the fiscal year that ended on Friday. He noted, however, that the agricultural trade balance is down, although the overall dollar value of exports is up.

-- He will discuss some Department of Agriculture reorganization proposals later this week with various members of the House and Senate Agriculture Committees.

-- The President and Messrs. Bergland, Blumenthal and Brzezinski discussed grain exports, specifically the reporting requirements in current law and ways in which the U.S. can increase sales of grain abroad.

11. Ms. Harris said that Congress has adopted the HUD FY '78 budget, and that it will be ready for the President's signature by Wednesday.

-- The House is expected to pass the Housing and Community Development Act of 1977 which has already been passed by the Senate. Ms. Harris suggested that the President may want to hold a signing ceremony for the bill since the legislation constitutes a major urban initiative.

-- Ms. Harris has been briefing Members of Congress on HUD's proposed reorganization to reduce the number of

field offices from 77 to 39. The reorganization will not be publicly announced until later in the week.

12. Dr. Schlesinger said that he met on Saturday with industry representatives concerning the oil tax provisions of the energy legislation.

-- Dr. Schlesinger suggested that the President meet with several key Senators in the Oval Office on the energy legislation.

-- He said that he hoped the Administration would win on the natural gas deregulation issue. He predicted that if the Pearson/Bentsen (deregulation) amendment wins, any potential conference agreement may be subject to another filibuster in the Senate.

-- Dr. Schlesinger is scheduled to attend an international energy agency meeting in Europe beginning tomorrow but may not go because of the unresolved situation in the Senate.

13. Ambassador Strauss said that he completed a trip to Europe last week and that we are close to an agreement--although not as close as he had thought last week--with the Commission of European Communities to use the Swiss formula as a working hypothesis for a tariff cut.

-- The U.S. is in the process of negotiating an agreement with Mexico to eliminate some trade barriers. He hopes that this initiative will be completed prior to the President's trip to Latin America in late November. Mr. Bell asked whether the U.S./Mexico agreement would create new jobs in Mexico--in which case it would be helpful in stemming the flow of undocumented workers from Mexico to this country. Ambassador Strauss said that, unfortunately, it would not have a significant impact on jobs. In response to a question from the President, the Attorney General said that the proposed legislation on undocumented workers was currently being reviewed by OMB.

-- Mr. Strauss said that he had heard very positive comments on Ms. Kreps' recent trip to Japan and Korea.

14. Mr. McIntyre said that OMB completed all of the necessary administrative work with respect to establishing the new Department of Energy in "record time."

-- He announced that OMB will brief the Cabinet on its reorganization agenda on October 12, from 4 - 6 p.m., in the Roosevelt Room. The briefing will include the

status of 31 reorganization studies, as well as their relationship to legislative initiatives for the next six months and to zero-based budgeting. The purpose of the meeting is to give Cabinet members an opportunity to ask questions and to comment on the overall reorganization effort. The President underscored the importance of the meeting and urged all Cabinet members to attend in person.

-- Mr. McIntyre said that he and the OMB staff will be meeting with Cabinet Secretaries on the FY '79 budget during October and November, and that he is now scheduling meetings with the President for late November and December. There will also be time in December for appeals by Cabinet members to the President.

15. Mr. Adams said that he held a meeting this weekend with DOT regional highway administration personnel and that he is attempting to simplify DOT's very complex field structure.

-- He met last week with Messrs. Andrus, Costle and Warren to try to reach agreement on several pending controversial highway projects and to develop a one-stop procedure for future projects. He has instructed his staff to clear all aspects of a proposed project with interested agencies before any one segment is approved. He said that he hoped this new procedure will be adequate but that additional legislation may be necessary.

-- DOT will announce later this week a \$280 million grant for mass transportation projects in New York City, one of many urban initiatives that DOT is taking. Mr. Adams said that he wants to work closely with the Urban Task Force.

-- The President said that he has asked Stu Eizenstat to prepare a memorandum on administration programs affecting New York City prior to his trip there tomorrow.

16. Ms. Kreps said that New York City is the largest single recipient of local public works (LPW) funds, and that the Commerce Department has now completed its allocation of funds under the LPW and related programs. The total amount of money involved, \$6 billion, should stimulate the economy considerably.

-- She briefly described her trip to Japan and Korea. Among other things, Ms. Kreps was successful in establishing a trade facilitation committee with Japan which will focus

largely on the export situation. She said that there are no major trade issues currently concerning Korea, although the Koreans are very eager for us to keep our markets open. The Koreans with whom she met discussed U.S. restrictions on textile and shoe imports but did not push for change in view of the temporary nature of those restraints. The Koreans are also concerned with world fisheries allocations; they are excluded from the Russian zone, but the U.S. State Department has recently raised their allocation from our 200-mile zone only very slightly.

-- Messrs. Blumenthal, Strauss and Schultze briefly discussed the complexities of the trade situation with Japan.

18. Dr. Brown said that hearings on military unionization are likely to begin next week in the House. He has informed Speaker O'Neill that he personally prefers to handle the problem by means of regulation. Speaker O'Neill has asked for additional information and said that he will let the Administration know before the House proceeds far down the road of legislation.

-- He leaves late this week to attend a meeting of the Nuclear Planning Group of NATO Defense Ministers in Italy. He expects that the meeting will involve extensive discussions of cruise missiles, strategic weapons in general, enhanced radiation weapons, and tactical nuclear weapons. He will also visit the Sixth Fleet, stay in Rome as the guest of the new Italian Defense Minister and travel to Yugoslavia to discuss U.S. Army policy with that country.

19. The President said that he will make a brief trip to the Western states on October 21 and 22, stopping in Detroit, Omaha, Des Moines, Denver and Los Angeles.

-- He and the Attorney General are preparing a memorandum for the Congress on the constitutional problems involved in Congressional vetos of Executive action. The Attorney General said that, at the request of Speaker O'Neill, he is meeting with various groups of House members, some of whom support, others of whom oppose the President's views on this issue. The President noted that several Cabinet members were concerned that announcement of the policy might hurt pending legislation and said that the

status of pending legislation would be taken into account in deciding when his announcement would be made.

The meeting was adjourned by the President at 10:47 a.m.

Respectfully submitted,


Jack H. Watson, Jr.